FORWARD

This report of the Fredericksburg Conference is presented in summary style for convenience. It presents some of the problems with which OMS is confronted, the courses of actions under consideration. It shows the difficulty experienced in providing management support to a number of agencies. All discussions have been taped and are available upon request.

It is intended to inform our associates who were back in the office keeping the wheels turning so that they too may be a party to the OMS '66 theme of FOLLOW THROUGH!

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OMS Lodestar Conference
Agenda

Thursday, May 13, 1965

Mary Washington Room

8:00 p.m. - Greetings from the Conference Host..... John J. Kaminski
- Pulse and Pulmonary Prognosis..... Charles F. Kiefer

Friday, May 14, 1965

Mary Washington Room

8:00 a.m. - OMS Directive System ..... Darrell F. Peters
- Minority Group Employment..... Joseph P. Findlay
10:00 a.m.- Coffee break and buzz session
- The President's Moratorium on Equipment Purchases..... Stanley I. Richards
- Management Problems in Replacing Situation Reports with Monthly Reviews..... Wayne V. Dexter
- Work Measurement System ..... Lawrence L. Fiedler
12:30 p.m.- Lunch

Mary Washington Room

1:30 p.m. - Liaison Officers Role and Responsibilities... Charles J. Leman
- New Mode Outputs..... Margaret R. Pyles
- Source Date Automation ..... Charles A. Tocknell
3:30 p.m. - Coffee break and buzz session
- Improving the OMS Image Within OMS..... John E. Wildman
- Problems of Effectively Responding to Unanticipated and Unusual Requests for Data and Services..... Stanley J. Dorick

Mary Washington Room

8:00 p.m. - Justification of Fund Requirements ..... John J. Kaminski
- Improving the OMS Image Outside OMS..... Joel W. Wheeler

Saturday, May 15, 1965

Mary Washington Room

8:00 a.m. - Effective Use of OMS Administrative Officer.... Doris Wood
- Position Management ..... James V. Lewis
- Publication Control Program ..... James R. Madison
- Cost Reduction and Management Improvements in Government Operations..... Wayne V. Dexter
10:30 a.m.- Coffee break and buzz session
- Summing it Up ..... Julian J. Anastasio
- Closing Remarks..... Charles F. Kiefer
- As It Looks To Me.....John J. Kaminski

FOLLOW THROUGH

First OMS Lodestar Conference

General Washington Inn, Fredericksburg, Virginia -- May 13, 14, and 15, 1965

The Theme was - Managerial Follow Through.

The purpose was to search out areas of weaknesses in OMS operations; to analyze and evaluate all facets in these areas; and to eliminate, correct, and change as necessary to improve services and to build better working relations within OMS and between OMS and its client agencies.

Conferees

Charles F. Kiefer, Director
Charles J. Leman
Jack Stassi

DAS

Stanley J. Dorick
William H. Hillenbrand
Donald J. Hurst
Lovell McClanahan
Darrell F. Peters
Alice L. Price
Stanley I. Richards
John J. Kaminski
George H. Acton
Julian J. Anastasio
Lawrence L. Fiedler
Nancy A. Goff
Charles A. Tocknell
George Waldman
William Wolf
Doris Wood

DI

Wayne V. Dexter
James R. Madison
Beryle E. Stanton
Joel W. Wheeler

DP

Joseph P. Findlay
Joseph A. Ash
Leon Cox, Jr.
Albert T. Greatorex
James V. Lewis
Margaret R. Pyles
Peter Sobers
John E. Wildman

Charles F. Kiefer

Lodestar! This attracts me; it appeals to me. I certainly am glad to see you all here. I appreciate you coming down here. I feel that you are going to participate in a meeting which outstrips the two previous meetings we had at Harpers Ferry and Front Royal. I detect that some of this may be due to Nancy Goff's gentle influence as well as that of many other people.

Introductory

We are in a vital outfit. We're in an outfit that had one fine member get married last year. Got another marriage coming up, and you people might think that you are set in your ways, but there are some people in this outfit who are not! They're branching out. Frankly, my friends, I envy both of them. I want to say also that I miss John Wildman, his gentle ways. Sorry he has been struck down a little. I bring you greetings from Joe Robertson, our boss.

"The Gang"

I want you to know that you are now the Fredericksburg gang. We have some Harpers Ferry gangsters here and we have some Front Royal gangsters here. Those people who were not in either of those places, but are here in this gang for the first time, please stand. Let's see if we have some new folks -- there are six new gangsters. I give to you, my good friends, new faces and former faces, my continuing good wishes,and the expression of continuing pride in each one of you in the pleasure of our association. Now there was a hole left in the Office of the Director when Richards left, and I think it is being pretty well filled by Jack Stassi. I think he is beginning to enjoy his work. I was worried about him for awhile but in recent weeks he seems to come to work in the mornings with some zest. I don't know why this is -- it may be that he is feeling the heat from underneath or it may be that he is feeling the light from on top. It may be that there is noise all around, I don't know.

This is a time for inventory taking, and in a real sense, this is what we are doing during these meetings. You know it isn't going to be too long before we have another hole in the Director's Office; maybe there has always been a hole there, I don't know. Anyway, our good friend Chuck Leman is going up to Princeton. He does himself a great honor in doing this. It's a great opportunity for him and he does the outfit a real honor in this regard. I must be pardoned for some of these personal alusions. I trust you will indulge me.

Special Recognition

Now, you know that we in OMS have been fortunate this past year in some respects. In our Division of Information, for example, in addition to the careful editorial work that goes on there, we've had particular reference and recognition made to the Agriculture Science Review. It is an award winner. Farm Index is an award winner for the second time. Not so long ago I had an occasion to review a file on the News for Cooperatives, which is also a very fine testimonial to the work of people in the Division of Information. These are important ways in which our Division of Information people review, screen, strengthen, fortify and protect the writers whose job it is to fulfill the ancient admonition that hangs in this Department mainly, "to acquire and disseminate information to all of the people."

I noticed yesterday in the Secretary's report to the Bureau of the Budget on the Cost Reduction Program that he referred to the Office of Management Services, as he said, "Our centralized Office of Management Services in preparing to automate some part of its accounting operation and savings will begin to reflect themselves next fiscal year.

Then, of course, we are all proud of Stan Dorick and Bertha Lambeth and good friend Pitts in their fine achievement in securing the Superior Service Award of this Department which they will receive on the grass in the shadow of the George Washington Monument next week. Even as we applaud them, we know also that there was backup. And we know that it is never possible for the Superior Awards Committee to come to the agreement that all nominees should be given the award. So I consider that OMS this year in submitting 7 nominations and securing 3 of them did very well. If we could go to bat 7 times and hit 3 out of 7, why, you know, we could stay in the big leagues indefinitely.

Now, of course, I can't pass this opportunity to say how much I appreciate the work that went into the Combined Federal Campaign. This is a program which is designed to help other people. That is its real and only purpose for existence. Sometime it gets into the bureaucratic rat race and we begin to make invidious comparisions about how agencies do. I am proud to be associated with an agency which rises above that and gets in there first or early with the amount that is needed.

Now we have an agency which acts as if we are all friends and blood brothers. I want to show you a little award that I accepted on your behalf, which is a pair of pants from the Statistical Reporting Service out in Lincoln, Nebraska. I had quite a ceremony out there. The humor was not noted for its originality, but the award given to me as representing OMS was this pair of pants. I think they are a

size 52. I'm thinking of having them made into an Eisenhower jacket, but what I was told was "If OMS gets too big for its britches, you're all ready!" I don't know what you folks can do with that. Frankly, I don't know what I can do with it. I just mention in passing that sometimes the people whom perhaps don't always appreciate some of the things we're doing for them, they now give some indication that you had gotten through, and this is evidence of appreciation.

Significant Previous Meetings

Now, let us go back to Harpers Ferry. This was the year of Our Major Salvo, - The year of Orville's Money Savers. During that conference we got to know each other better. Got to know the work we were concerned with, and got to know a lot more about the dimension of the opportunity and the presence of the opportunity also to fall on our face. We didn't do the latter because we had a sense, as a result of Harpers Ferry, of our own strength and how we complement one another. We also had the knowledge and the "savvy" to get to the job that had been assigned to us by the Secretary. I felt then that we had achieved a greater unity of purpose and it certainly showed up between Harpers Ferry and Front Royal.

Year of Excellence

Of course, then at Front Royal, we stressed the year of excellence as our objective. What we asked at that time was what goes into making a good outfit better? We addressed ourselves, I think, rather systematically to those questions. This past year, my friends, I do believe has been a year of excellence. If it hadn't been, we would have found a way to change the title, the theme and the magic phrase, that attends this conference, namely, Follow Through. I do believe that in all the agencies with which we are privileged to deal, there is an awareness on their part of the effort that we make as a group and as individuals; that we care about the quality of the work we do, and about the degree of responsiveness that we have, and the degree of improvement on the firing line taking place out in the divisions, the branches, and the sections, down where the work is really done and where the papers are really being handled. So I think that during this past year, from where I sit, that our quest for excellence is being rewarded. What we have done, we have done well. We have stressed our assistance aspect and we are taking advantage of our single appropriation. We have dug out of MODE, and we are on top of our job and our task to the agencies we serve.

Directives

I'd like to think that our directives system is fairly well implemented. I am aware, of course, that there are internal differences or viewpoint which perhaps relate more to doctrine than to substance. But nevertheless, I think that our directives system is one of the good things. Perhaps there are ideas for improving it. I think

that the agenda of this conference may find time to address itself to that.

Training

We have intensified our training efforts any number of different ways. In fiscal year 1964, we had 104 employees in training. In fiscal year 1965 just through April, we had 123 employees in training in OMS. Of course, we have our Supervisory Self-development program for which the Director, at least, has high hopes. If it succeeds it will be because of your efforts and if it doesn't succeed, it will be my fault. I hope each of you will inquire into this again and find a way in which you can extend your influence to your supervisors in nonstructured, but planned situations where the advancement and fulfillment of your associates who do the work will be accomplished.

Minority Group Ideas

I am highly pleased also in the way in which OMS has approached the minority group recruitment program for agencies we serve. Joe Ash, Leon Cox, John Wildman and Bob Lane, I think, did a tremendous thing for this outfit this past year. Now we have 90 minority people on our staff. As far as I can tell, they are all fitting in and doing their job. We don't need to notice it, and we don't notice it. If it weren't for the fact that we are an independent agency in the Department, and the numbers game is on us, we wouldn't bother about the fact that there are 27% minority people on our staff. I'm not sure that 27% means a thing! There may be a lot of other minority groups among us that we don't know about. If we took a real percentage, I think that the minority group influence would get pretty close to 100%. If there are any Indians here, I wish they would rise. That is the way I look at it. So much for that.

Employee Unions

Of course we are beginning to feel the heat from the organization of unions in government. Our Division of Personnel is experiencing the stress and strain in seeking to be administrators of the personnel merit system, the protector of the individual employee, and the advisor of top management. It is a real tough workout! We are going to have to stretch ourselves in the world of the future in dealing with the organization of unions in the Department of Agriculture on a scale, in your time and probably in mine, that transcends anything we've ever seen.

ERS Self Survey

Some of us have participated at length in the program evaluation group, and the program evaluation report of ERS. There are copies of this available in each Division Chief's office. Probably we can get an additional copy for the Branches. You need to learn more about the programs in the agencies we serve, and this is not limited alone to ERS. In addition to the budget hearings for the agency, a particular effort like this, and the K report, which stands for

Koffsky, is a valuable addition to your knowledge.

SRS and ADP

We are working hard with Dr. Trelogan's people on the ADP site preparation. As far as I can tell this is going along well. We are keeping Dr. Trelogan personally informed.

Ceilings and Averages

I have to mention, even though we are managing it ourselves with your help, several ways in which we have to approach ceiling and fund control and average grade. As I stand here this evening, there are just two cases for which I haven't secured the approval of the Assistant Secretary for Administration. Those are subjects of continuing conversation. But let me say to you that all recruitment requests, all replacement requests, all promotion requests, that the division chiefs and the branch chiefs have submitted to the Director's Office as of close of business tonight, with the exception of two, have all been approved. So, my friends, if you think it is the Director's Office who is holding you up, you may be right -- on the other hand you may not. I think, from the standpoint of the discussion with your associates, we need to plunge in to do the job we have at hand.

Promotions

Last year, fiscal year 1964, we made 73 promotions. These are grade-to-grade promotions. In 1965, through April 30, we made 64 and there are some others pending that I have not included in this number. Now, when you consider the total employment of OMS, at around 340 to 350, and just using 70 as a mean number, why you can see how people are being promoted each year.

Budgets

Now, some of us went up to the Hill to present the case for OMS to the House of Representatives Subcommittee on Appropriations. Report of that Subcommittee is now published, and I do believe that you ought to make arrangements to borrow a copy and read the hearing that took place between the Director of OMS and the distinguished Chairman of the Subcommittee, Mr. Whitten. I think you will enjoy it and there is the possibility that you may even see your own work mentioned and factually portrayed before the Congress of the United States.

Other Agencies

Now, we have been doing some work with CSRS also. We've been doing some work with SRS in their management areas. And as I said we have been working with OIG in the union negotiations.

There are several things that stick out in my mind because I read the reader file, and because my associates, you, and you associates, keep me informed. So, I know, not everything, thank God, but I know quite a bit. I like to think about the contributions that each of you make, and about their significance; the way in which you are welded together better today than you were a year ago in a matrix of effectiveness.

Things in Process

I am looking forward to the time when our property accountability system is mechanized and made operational next December. I see that we are receiving more awards and suggestions. For example, I see that we have as of April 30 received 51 suggestions compared with 9 last year; we have made 8 performance awards compared with 4 last year; and we have made 12 quality within-grade increases compared with none last year. This means to me, my friends, that you folks out there are beginning to use and, in fact, are using more of the tools of management to reward your people. I wish I could reward you more myself, and I'll give you a little secret. Sometimes when I go home, I wish I could be rewarded and after I have a drink, I say to myself, "The associations and the accomplishment and the fact that I have a sense of accomplishment is my reward, and I really shouldn't expect anything else." And I don't.

Now this mail task force report probably is going to give us the hebie-jebies before we're through. We're working on it. I see that last year we were not in very good shape with respect to the way we reviewed our job descriptions. Now, I've been advised that we only have 24 job descriptions that remain to be completed throughout OMS. You think back to the outfits you have been member of in the past as to whether the accuracy of the job descriptions in the outfit could ever be said to be that good. Who cared about them until somebody got into difficulty, and the employees began to point to the inaccuracy of the job descriptions? The supervisor was embarassed because he hadn't taken the time to correct the job description before he started into the disciplinary type situtation, and he was behind the eight ball.

Now I've said enough about cost reduction and management improvement. You're going to talk about the Liaison Officer's role and responsibility. You're going to talk about a number of interesting things in this conference, improving the OMS image inside and outside, talk further about systems perhaps.

OMS Employee Opinion Survey

I suppose I should seize the opportunity with a captive audience to speak to you about the employee opinion survey, and I think I shall for just a moment. I think I shall speak only about that part which has to do with that question, "Would you recommend OMS to your friends as a good place to work?" Yes, or No. "Why is this?"

You will recall that only 98 or 36% of those responding, 303 out of 355, said they wouldn't recommend it to their friends. I gave you the feedback on this whole effort. But I want to tell you folks in the Fredericksburg gang that there were some mighty mean comments made on some of these responses, that I felt in all dignity ought not to grace any feedback. Some people, and there is no way for me to identify them, what division they are in, what branch, whether they are male or female, White, Jew or Gentile, Negro, Indian, or Puerto Rican -- made comments such as, "My boss is a martinet." Another one said, "This person ought to be fired." It gets kind of nasty you see. This is not the total impression of the group. I am talking about this 98 group, which had something to say about the attitude of their supervisors. Now, of course, these are folks in the OMS minority. As you know, 177 people said "Yes", they would recommend it to their friends. They didn't feel they had to say it. They said "Yes" because they wanted to.

I only mention this to you, the Branch Chiefs, the Division Chiefs. An organization is the mirror of the boss all the way down, and if there are people under your supervision, who have supervisors who because of the pressure of the work, or because of lack of background, at times become somewhat inconsiderate, take a few minutes, think about what a person should do if he were aware of this fault, try to improve supervisory effectiveness. There is a time for harshness, there is a time for stiffness. We are all adults and you know it as well as I do. I just mention this because I have picked up a little indication, a strand of thought that supervision can be improved. It has been repeated not once, not twice, not three times, but more than that by far. I just mention it, that is all. If I ever do this type of survey again, I'll have some other approach.

More Work?

Now I am taking more time than I thought; I hope I am not boring you too much. Could we take on additional work in OMS? How do you like that question? Don't answer! We're taking on, I suppose, the Appalachia Program. Government itself is taking on new programs throughout the Federal establishment -- Education, Medicare. So this Department is going through a basic program change in many of its programs. You will begin to see more of it tangibly in the months that lie ahead. This is going to show up in the agencies we serve. It is showing up on us -- it shows up in Jim Lewis' shop in the way in which he drafts and redrafts job descriptions. Shows in the Budget shop, in budget amendments and the change from year to year in the program emphasis and writeups of the justification to the Congress. Shows up in Wayne's division and his associates in the kind of writeups contained in the News for Farmer Coop, the Farm Index, and the Agricultural Science Review. Shows up in Administrative Services when some people get new equipment, not as much as they used to perhaps, and when we move their headquarters around or issue contracts. All of this shows up in one way or another. So I don't know the answer as to whether we could take on additional work

or not, but I'll tell you an easy way for you to find out. When you look at the Director's budget justification for the fiscal year 1966, and you see in there the volume statistics and other pertinent data, then figure out yourself how much would be involved as we estimate from our work measurements that 9½ man-days are required for each man year in the agency served.

I know an interesting colloquy took place in Congress in the committee hearings this year. As you read the testimony, you will see that Congressman Morris said to the Director, "Mr. Kiefer, why aren't you associated with some of the big agencies in the Department?" Mr. Kiefer said, "Mr. Morris, perhaps this is not my question but Mr. Robertson's." Mr. Robertson states that there is a line someplace. Now he didn't know where it was, of course; he was talking about the law of diminishing returns and he didn't know where it was and I'll let you make up your own mind as to how to interpret Mr. Robertson's testimony. But in the concluding part, he is on both sides of the issue; he says that we could take on one or two more agencies. I do not know when, where, or even along what line. It is still an active issue in his mind.

When anyone seeks to involve me in this kind of conversation, my attitued is that we have everything that we can "say grace over" now. And yet, to a professional group that has accomplished as much as you have, I do not feel that I would be faithful to you, if I stood staunchly on the status quo, and said "No, we can't do anything more." You know, my friends, that our collective efforts have resulted in cost reductions equivalent to nearly one half million dollars. Each one of you has played a part in this.

Outside Reading

Before we came down here, John Kaminski distributed a copy of "Is There a Mess in Middle Management?" There may be a mess in middle management, but it is not a mess in OMS. This little piece was designed to fortify your thoughts, to have you recognize that you share with me the job that we are doing. This article brings out the location of responsibility for any mess. Here are a few other items not in order of their importance. The first is a little thing that Mr. Godfrey distributed the other day on "The Key to Effective Public Relations in ASCS". I think it is very useful and I have arranged to have copies for each one of you, not because I like its preaching, necessarily, but I do like its content. If we can get away from the exhortation and just use it as an amusing but subtle reminder then it will serve a purpose.

The Foreman - Master and Victim of Doubletalk
By Fritz Roethlisberger

The Faithful Process of Mr. A talking to Mr. B
By Wendell Johnson

Making Cost Control Work
By Rensis Likert and Stanley E. Seashore

Toward a More Effective Enterprise
By Robert L. Katz

I ask you to read these things in the weeks that lie ahead; look at them, you don't have to study them too hard, or report on them, but I do want to bring these to your attention as executives in OMS. For my part, I am looking at some case studies which I'll be glad to share with you sometime. Those of you who may be interested in the debate that goes on in plants or offices. I have a number of cases here, including the case of the perplexed president, and cases of part time politicians. I have some things which are more subtle and, I think are stimulating and really interesting and challenging for persons who need to refresh their wellspring of knowledge as bosses and supervisors and workers with other adults, both men and women.

Also I have a few cases in labor relation for those of you who in the future find yourselves confronted with disciplinary cases and the employee begins to think about getting a lawyer. Instead of pressing the panic button, maybe you should begin to think about what to do in advance. A review of these items may be of help.

Concluding Comment

That is about all I have this evening. I'd end on this note: You're a pretty good group of people. We are approaching the end of the fiscal year, the end of the cycle of work in one sense, and come to a change in program. I have this final word of confidence. I know and trust I am not talking to myself when I say that when the going gets tough, the tough get going--on the work and not on the people!

OMS Directives System

Darrell F. Peters

Proposition is to make directives easier to use through simplification and improvement of format, code, index, cross-reference, subject, and binders.

Recommendations As Follows:

1. To coordinate with due regard to time element, particularly when directive material involves several branches and divisions.

2. To know or check procedure on how to proceed and what to do before starting. Content-approach - format. - consulting, - followup.

3. In developing procedure, cite research and authority references; attach this material to draft of procedure if possible; indicate clearing points necessary.

4. Keep in rough draft stage in developing.

5. Have general consensus of principal reviewers before preparing in final form.

6. Clear with agencies involved before finalizing.

7. Be sure author has opportunity to review final product.

8. Do more advance planning, be more prompt in handling, give consideration to timeliness.

9. When forms are prescribed, cite the procedure references on the form to which it is applicable.

10. Recommend the issuance of a form index, numeric - subject.

11. Seek to develop a system whereby the number on the form coincides with number in Manual.

12. Include on form, wherever possible, instructions for completing. Omit these instructions in the procedure.

13. Never cite external references that reader does not have.

14. Strive for clarity, preciseness, simplicity, Foggy Index.

15. Plan and present orientation and training course within OMS.

Specific Proposals As Follows:

1. INDEX TABS

Present Method:

1. Index tabs for each 1,000 series -- 1,000 through 5,000.

2. Plastic, black numerals - laminated.

Proposed Changes and Improvements:

1. Breakdown to 100 series tabs.

   A. Use a color for the 100 series.

   B. Tabs to show code number and subject of series Example: 2600 - Procurement.

2. Recommended for ease of reference.

Action Needed:

1. Survey holders of manuals to determine quantity needed.

2. Funding for distribution of approximately 600 sets at a cost of $4,200 ($7.00 per set).

3. Assign job to DAS.

2. BINDERS

Present Method:

1. Currently using post-type binder -- color Foam Green, pre-printing on binder. Each binder costs $2.00.

2. Total of 4 to 5 required when set completed ($8.00 - $10.00 each per set).

3. More difficult to make inserts because of mechanical operations necessary to take binder apart, remove contents, place insert and close binder, unless material is prearranged before making changes.

4. When contents are too thick, difficult to make pen and ink changes. To overcome, left hand margin is made wider.

5. Pre-printing on binder becomes obsolete - changing agency name affecting long-range utilization.

Proposed Changes and Improvements:

1. To the extent desired by users allow optional use of the 3-ring standard 2-inch binders.

   A. Common use binder readily available from GSA Stores Stock Depots - approximate cost .70 each.

   B. Common use binder can either be furnished by OMS or by agency at no cost to OMS.

2. Discontinue the ordering of the present post-type binder -- estimated savings to OMS approximately $2,400.

3. Reduces cost, eliminates obsolesence.

Action Needed:

1. Survey holders of manuals for acceptance.

3. SOURCE MATERIAL

Present Method:

1. No stated policy in Title 1100 on incorporation of source material, with modifying instructions, as necessary, to make part of OMS Directive System.

   Examples:

   T&A Handbook (MODE)
   How to prepare and process U. S. Government Bills of Lading Handbook (GSA)
   Shipping Household Goods Handbook (GSA)
   Standard Government Travel Regulations Handbook
   Bureau of Budget Circular No. A-44
   Rules of Employee Conduct and Political Activity

Proposed Changes and Improvements:

1. To the extent practical use source material verbatim as formated. This eliminates rewriting, chances of error, and delays in releasing to affected users.

2. Reduces costs - men and material.

3. Source material to be appropriately numbered and codified to bring into the OMS Directive System.

Action Needed:

1. Title 1100 to contain policy statement endorsing use.

2. DAS to exploit and encourage use whenever practical -- persuasiveness.

INTERNAL ISSUANCES 1132

Present Method:

These issuances originate within the Office of Management Services, based on legislation, external issuances, or orders from higher authority. They cover necessary policy and procedures. OMS issuances other than described by the systems are prohibited.

Proposed Changes and Improvements:

Change wording. These issuances originate within OMS and contain policies and procedures on management support functions for OMS-served agencies.

Action Needed:

Acceptance

Permanent Coded Directives 1132.1

Present Method:

These contain instructions having continuing application to the Office of Management Service activities.

Proposed Changes and Improvements:

These contain instructions having a continuing application.

Action Needed:

Acceptance

Temporary Coded Directives 1132.2

Present Method:

These affect permanent directives already written or to be written. They become void automatically in 12 months unless a shorter time is specified.

Proposed Changes and Improvements:

These contain instructions which modify or supplement permanent directives or serve as interim directives. They expire in 12 months unless otherwise indicated.

Action Needed:

Acceptance

Numbered OMS Memorandums 1132.3

Present Method:

These memorandums, issued in numerical sequence, contain general management and informative material for guidance of the agencies and offices serviced by OMS.

Proposed Changes and Improvements:

Discontinue the issuance of numbered memorandums. Establish in the OMS Manual under a specific series a miscellaneous-general category.

All OMS Manual material should continue to be signed by the Director. Material to be signed in this newly established miscellaneous-general category would be for subject matter that could not be in other series of the Manual already established. It is expected that the use of this series would be extremely limited. Each OMS Division would be assigned a Chapter within the series.

Unnumbered Memorandums 1132.4

Present Method:

Unnumbered memorandums are developed and issued by each division of OMS covering any necessary internal instructions or information involving its own activities or applicable only to its own employees. In addition, unnumbered OMS memorandums will be issued on subjects of general interest which are usually of limited duration.

Proposed Changes and Improvements:

These memorandums contain transitory material such as announcements, reminders, suggestions, or information. They can be signed either by the Director or Division Chiefs.

Action Needed:

Acceptance

Unnumbered Multi-Subject Memorandums for All Employee Distribution under Signature of Director.

Present Method:

None

Proposed Changes and Improvements:

1. Periodically - schedule.

2. Quick release - improve service.

3. Easily readable - informative.

4. To contain a variety of interesting subject matter.

5. Be distinctive - eye-catching.

Action Needed:

Assign job of coordinating to the Division of Administrative Services.

OMS Directive System - Internal (OMS) Directive Material Supplementing External Material Issued to Agencies.

Present Method:

1. Directive material includes internal OMS procedure of no importance to agency or external user.

2. Some OMS Divisions are writing operating procedure for employee's technical use - not under the OMS Directive System.

Proposed Changes and Improvements:

1. Where necessary OMS to develop supplements, coded to Manual system, for selected distribution within OMS.

2. Eliminates OMS internal procedure of no interest to agencies.

3. Better service to agencies through brevity of material-preciseness of procedure and instructions which they must follow.

4. OMS specialists and technicians have a working tool providing for more detail of operations.

Action Needed:

Acceptance

Digest of
Management Problems in Replacing Situation Reports with Monthly Reviews

Wayne V. Dexter

This presentation is a result of a study made to test the feasibility of publishing a monthly economic Review in place of outlook reports and other similar materials. We took as our model the Survey of Current Business which contains an average of 24 pages of text and 40 pages of tables per issue. We assume that annual supplements would be published for most situation reports usually at outlook time. And we further assume that the Review would be a replacement and not an addition to other periodical reports of ERS.

Examination of the periodic reports now being issued by ERS indicated that the proposed Review could replace all of the situation reports plus the following:

1. Farm Population Estimates
2. Changes in Farm Production and Efficiency (not including the 4 supplements which might be combined into a single annual publication)
3. Balance Sheet of Agriculture
4. Farm Real Estate Taxes
5. Farm Mortgage Debt
6. Farm Mortgage Lending Experience
7. Agricultural Finance Outlook
8. Agricultural Finance Review (not including the supplement)
9. World Agricultural Situation (not including the 5 supplements which might be combined into a single annual statistical publication)
10. Farm Real Estate Developments
11. Foreign Agricultural Trade
12. Foreign Gold and Dollar Reserve

These publications now carry about 504,000 words of text and approximately 1,100 pages of tables. For the proposed Survey to replace the reports listed above it would be necessary to reduce the text by about one-half.

Interviews with the editor of the Survey of Current Business, International Commerce, and Federal Reserve Board Bulletin indicate that printing schedules could be arranged to provide the prompt service needed. Not much additional staff would be needed for a Review although considerable shifting among divisions might be required. The Review also appears feasible from the standpoint of cost, although exact costs are impossible to estimate without much more thorough study. The $38,000 that would be released by ceasing publications of the reports listed above would be sufficient to finance a substantial magazine.

Our conclusion is that the Review would be feasible from several standpoints. Whether it would be desirable depends upon the policy objectives of ERS. An evaluation of these objectives should take into account the following advantages and disadvantages.

Advantages:

1. A single, well edited, attractively presented publication would bring greater prestige to ERS than the current publications, many of which are often indifferently written and presented.

2. A review would be more convenient to users interested in more than one commodity or subject.

3. A Review would free time of specialists for more research.

4. A monthly publication would provide more timely release of information.

5. Greater economy and higher quality would result from professional editorial staff.

Disadvantages:

1. The present reports offer a more comprehensive and specialized treatment of any one subject than would a Review.

2. Specialists would have less feeling of personal responsibility for a Review than they have for the reports they now prepare.

3. A monthly Review might reduce the number of stories carried by newspapers and other media. Each of the more than 100 reports now being released is widely covered by the various news media. It is doubtful that a monthly publication would receive as much attention unless supplementary means of release were developed.

Work Measurement System

Lawrence L. Fiedler

Purpose:

To get more from system, to better use the outputs now available. System now providing divisions with the units processed, man-days required and performance per man-day compared with forecast of same data by selected significant work items. System also provides production indices by item, by division, and by agency. Supervisors should maintain data to evaluate progress and performance, to justify staffing and for other management purposes. Current system provides data for preparation and justification of budget requests.

The committee recommended an intensive training program for Supervisory Personnel covering the entire system.

The tentative list of topics is as follows:

Sessions	Subject matter
1	Purpose of Training Session
2	Information contained in Monthly Work Measurement Report
3	Use of Monthly Work Measurement Report data
4	Weekly and monthly man-hour reports
5	Annual manpower requirements

Sessions were scheduled for May 25-June 11, 1965.

Divisions were scheduled to present man-power needs and financing requirements based on workload during June as basis of director's allowances. Workload to be relative to past year's performance and man-years to be served in succeeding final year.

Liaison Officers Role and Responsibilities

Charles J. Leman

An understanding is needed of the role of liaison and administrative officers in OMS. The roles are different and separate. The questions to be considered are responsibilities of each, possibility of standardization, needed exceptions, delineation of representations and need for action under certain conditions or in response to certain requests which may boarder on program versus support activity.

This committee recognizes a lack of uniformity in the roles and activities of agency liaison officers. There may be duplication in the activities of OMS personnel and those of the liaison officers. Comments made by the committee and the audience at Fredericksburg show there is misunderstanding, on both sides, as to who should be handling various activities, and how.

Considering the above statements, and keeping in mind the basic framework of Secretary's Memo 1529, we make the following observations:

1. Liaison officers have different GS grades and responsibilities.

2. Between agencies and liaison officers, there are different outlooks.

3. There are variations in programs between agencies; some are stable and some are subject to change.

4. There are differences in agreements between OMS and the agencies.

5. There are differences in agency demands on OMS.

6. Considering the comments at Fredericksburg particularly, there are variations in the outlook of members of the OMS staff regarding our relationships with the liaison officers.

7. OMS has no firm information, overall, on the activities of the liaison officers and employees under their supervision.

<u>Recommendations</u>:

1. Aim at developing a more uniform system of operation between the liaison officers and OMS.

2. Set up an initial plan as follows:

a. Each member of this committee will study the C&O Branch report on MED administrative operations to determine which of these functions might be in the province of OMS.

b. Each committee member should be responsible for seeing that these areas are studied and implemented for his division.

c. The study should start on approval of the recommendations.

3. The effort should continue with a series of studies (similar to the one on MED) of liaison officer operations, and include all activities connected with those of all OMS divisions.

4. At the same time, review our operations to determine (a) whether we are really functioning fully as per 1529; (b) how we might expand or modify our services with present resources; (c) if we can expand our services by adding to resources; (d) the feasibility of setting up common systems and operational procedures to increase the scope of OMS service or reduce the necessity for liaison officers to perform the same services.

5. Utilize personnel from all OMS divisions to conduct the studies, and request written reports for evaluation.

The initial plan could be followed by a secondary, or "follow through" plan based on recommendations of the study groups. The "follow through" plan would contain specific recommendations.

Source Data Automation in
Division of Budget and Finance

Charles A. Tocknell

Effective July 1, Fiscal Branch will begin to convert from NCR bookkeeping machines to a computer operation using the computor services of the WDPC. The conversion will be accomplished in three phases.

In phase I, we intend to convert all of the accounting, except the maintenance of obligation records associated with the allotment, workplan, and distribution ledgers with certain related reports being prepared wholly or partially by the computer. In order to accomplish this, data with regard to allotments, allocations, and expenditures will be punched into paper tape by a SCM electronic typewriter with reader and punch attachments. This information will be punched directly from the source document such as OMS-1's, OMS-96's, and expenditure and refund vouchers. At the end of the month under phase I, we must summarize and punch data with regard to unliquidated obligations. As a byproduct of punching the expenditure data, an extra paper tape is produced which is used to prepare the schedules submitted to Treasury.

Phase II begins as soon as Phase I is in operation. It involves placing on the computer all of the appropriate fund general ledger accounts and as much of the remaining related subsidiary accounts as possible with computer preparation of more of the routine reports. In order to accomplish Phase II, we will have to capture at the source, data with regard to billings and collections and also the expenditures such as travel advances which do not affect allotments or workplans.

Unlike Phase I, Phase II will be a gradual changeover and we have no definite date set for its completion. Also whereas Phase I can be completed within the scope of existing regulation, to obtain the greatest saving for Phase II we might have to seek permission of GAO for modification of certain regulations or established principles.

Phase III involves converting the accounts of the Working Capital Fund including the detail cost records with possible automatic printing out of billing information. Also a study to develop a possible means of placing the obligation control registers on the computer. There will be some overlapping of Phases II and III.

The new equipment required to implement Phase I is estimated to cost $30,000. There will also be an initial programing cost and a continuing operating cost payable to the WDPC. To offset these costs we expect to eliminate in the first year four of the eight NCR bookkeeping machines now in operation in the Branch. At least one of these machines must be replaced each year at a cost of $6,000 to $9,000. Also there is a projected 5.5 man-years saving in the

Branch. All of this saving will not necessarily be realized in the first year due to phasing out the old work and training time required for the new. It is also anticipated that part of this man power savings will be used to improve the services provided rather than to cut the staff.

The savings will be realized mainly from the speed with which the computer will be able to sort data fed to it randomly and post it to the proper accounts or summarize it for reports. There should also be an improvement in the date by which certain reports will be prepared and issued. The cost of conversion in Phases II and III should be less and the related saving greater but we are not projecting them at this time. The present staff will be retrained to operate the new equipment and any reduction in personnel will be accomplished by attrition. A flow chart outlining the before and after follows. (Necessary copies may be obtained from DBF Miss Parish.)

Considered were employees and their relationships through communications, timely procedures, personal contacts, understanding program needs and group participation. General performance was evaluated reviewing strengths and weaknesses within the OMS structure to provide recognition of achievement, opportunities for self-improvement, supervision and guidance, and working conditions. Thought was given to an employee evaluation program.

Committee recommendations are as follows:

Recommendations

Employee Development

1. A formal policy be issued providing the conduct of and the responsibility for orientation-indoctrination training.

2. Provide greater opportunities for supervisory participation in the OMS Supervisory Self Development program and other programs as deemed appropriate.

3. Encourage utilization of the Training and Development Profile as a means of identifying employee training needs and therefore the Divisions needs.

Communications

1. Establish "in service" workshops on the "principles of communications" to teach the skills of effective communication processes.

Performance Evaluation

1. Establish a Performance Evaluation system in OMS to include:

    (a) Establishing and defining levels of acceptable performance.

    (b) Methods for employee performance.

    (c) Periodical mandatory review and appraisal of all areas of job performance.

    (d) OMS manual issuance on the OMS Employee performance Evaluation Program.

Recognition

1. In order to continue improvement of our efforts of providing Employee recognition, we should stress greater use of the following particularly where grade promotions, quality step increases, and performance awards may not be feasable:

(a) Complimentary action

(b) Letters of appreciation

(c) Performance certificates

Organizational Cohesiveness

1. Periodic, informal training sessions to be conducted by division chief's secretary for "key" secretaries of the division in such areas as:

(a) Telephone manners

(b) Correspondence preparation, etc.

(c) Office conduct, etc.

2. Greater participation, OMS wide, in training sessions being conducted for secretarial-clerical employees.

3. Improved relationship between division chiefs and employees by having the Chief:

(a) Greet and visit briefly with each new employee

(b) Make periodic visits with employees at the work sites within the divisions

(c) Continue efforts to acquire adequate and contiguous office space for employees.

Summary-First Day

Charles F. Kiefer

Well, it has been a long day, and I know the seats here are no softer than they were at Front Royal and Harpers Ferry. I certainly want to thank Joel and John for the presentation this evening. I want to thank you all for the day you gave us, -- a day of surprises, contributions, of growth and response, of excellent quality, really, in all the presentations- every single one!

This is what I meant 2 or 3 years ago about putting the full force of our intellect on the job. We have had a variety of subject matter coverage at greater depth of program concern for agencies we serve.

Now, I feel, notwithstanding your well established views of my biases, that we have been a little overbalanced on this work measurement system. Yet, this is a planning conference. If we do have to plan our work, we have to find out what it is. We have a constituency-- it is the constituency of common sense. Talking common sense about your job whenever the opportunity presents itself. This is one of our tools.

Yet there are some at this conference in still somewhat of a quandary about work measurement and its uses. I must say I am a bit surprised about the quandary as to purpose and use of these data. So I say to you again, I don't know what the Congress is going to report out, but no matter what they report out, read the testimony this year and then read what the Congress does. If you have some ideas about how to do our justifying job differently, either from the standpoint of philosophy or from the standpoint of alternative approach, amalgamate this with your own managerial insight and common sense, then submit your proposal and you may be assured it will be considered. I believe the discussions you are going to have with Fielder may be quite crucial. There is a real need for good planning for these hour-long discussions.

Joel has referred to the growth of OMS a little. I've referred to the growth in stature of the key people, you. This, I think, is now obvious. I have to say about this afternoon's conversation that the concepts are embodied in the agency agreements, even though the agreement technically uses other words; the concepts there are still alive. You know what your job is. You know what jobs you have to do each day.

Now it is pretty easy for me or for Mr. Leman, or for anyone else around, to write a "white paper" on what this job of OMS is. It has been done in your mind. It has been done in the annual budget presentation to the Congress over the past 3 years. And it is in the stubs of your individual work measurement systems arrangements. But no one can write down every last thing we do.

That is what I meant this afternoon about being part of the general management organization, of the Department about being expert in your own particular professional calling, and about the lapover that happens when you leave your own professional backyard to give somebody advice in the other broad areas of this whole agency's outlook. So, I would say to you that the developing shady line in our area of concern is between program support and management support. Where you sense that this is happening, you ought to be happy on the one hand that people are using you beyond the narrow concept of our outlook. But you also have to restrain yourself, because if you can't do it, well, then perhaps you ought to say, to the agency liaison people maybe this is something you ought to initiate and ought to do, and let us in OMS see how we can help you.

Each of us has to be careful not to instinctively acquire the habit of saying No. If you are in doubt about the role of OMS, in a particular situation the words that you should use and I should say are "Let us see." If you have said it on a good note, and take a little counsel with your boss, there should be no problem. If we can do it, we should say "Yes" and do it! If we have our facts and reasoning, and a course is clear, then we should say "No." and we have said No. But with an affirmative kind of outlook. We are doers!

I think that we have been improving in this whole area. We have also been absorbing. There is a limit to this but I don't know where it is. I agree on the need to finish that Marketing Economics Division matter quickly. But in Heaven's name, at this juncture, let there be no doubt in your minds as to what the role and job of OMS is! Just in case you need to hear me say it again, it is to provide management support for 17 designated agencies, and to OMS itself, within the areas of your competence to carry out those functions which are represented by each one of you here in this room. Now, if they aren't carried out, by you in this room, do they need to be carried out at all? If they do need to be carried out, and I use the word <u>need</u> with an underscoring, who's going to do it if we don't do it? And if we don't do it, who can and who will do it?

Finally, as to the Liaison Functions, I agree on the variety and difference in job character and individual performance by each of the incumbents. Some may have it easier than others. Some agency heads are demanding more than others. I think where circumstances warrant it, we can demand more from them, particularly in program and budget development and interpretation of budget execution in the internal agency management affairs. They should keep us informed on supervisory-employee relations that could generate into a mess. We have to do a little suggesting, a little leading, and to be a little patient. I agree throughly on what Joel said that the key people, you people, need to do more talking to the agency heads themselves.

Now, I don't believe that we should turn work back to the agency. I doubt that we can unload very much. What would it be, if we could?

So, I'm about done for tonight. I just want to give you these closing thoughts. I'm going to follow up on many of these ideas. These groups that have been organized for this session have done a tremendous job. I don't think we ought to disband them tomorrow.

I, of course, want you all to think about passing the word of this meeting down the line to these people who answer the phones and don't wait until we get the results of this meeting condensed and typed up and distributed. Get with your people when you get back in some useful and significant way. Don't take too long, spread the word down the line. Since it has been a good day, I'm going to say goodnight.

Justification of Fund Requirements

John J. Kaminski

Each year, the divisions of OMS should develop goals, estimate work volume, review and plan production rates and from these data, as related to the demands of our clients based on budgetary action, evolve man-power and financial needs for discussion with the Director. Organizational performance should be assured and confirmed.

Goals

The point of departure should be a review of the progress on existing goals conducted with Branch chiefs and other key staff.

The second step should be consideration and development of goals for the succeeding fiscal year.

Goals should be developed in terms of:

(1) Duration to accomplish

(2) Purpose or objective

(3) Affect upon operation --

- (a) within division
- (b) within agency
- (c) beyond

(4) Savings or needed resources --

- (a) funds
- (b) man-years

Work Measurement

The past experience, prior and current years, should be reviewed with key staff. Volume should be developed for the succeeding year based upon experience associated with the growth, deletion or other program changes proposed by the client agencies. These data can be obtained from the budget or Budget Branch, DBF. A simple example: if 500 vouchers were processed for 1,000 client man-years, then 1,500 client man-years could be expected to result in 750 vouchers - this divided by the determined appropriate production per day would provide the man-days necessary to accomplish this workload. In determining the production rate, consideration should be given to:

(1) experience of employees

(2) improved operations and procedures

(3) work simplification

(4) use of specialized equipment

Changes in reporting items should also be considered for presentation, if necessary. Also re-evaluation of existing categories should be studied to determine need to continue, simplify or correct.

Resource Needs

After the man-days are developed by organizational unit, these should be converted to man-years. The man-years should then be reconciled to the desired or recommended staffing pattern. The staffing pattern should be costed in terms of needed positions and then compared incumbents and vacancies. These latter should be scheduled and costed accordingly. The incumbent staff and vacancies will be costed by the Budget Branch but only after being informed of the vacancies by grade and expected entrance on duty dates.

The Budget Branch will also provide costs of other items for the past year. These then need to be examined by each division and adjusted in accordance with expectations. For example:

(1) travel - number of trips, to approximate locations, and number of personnel to make trips.

(2) promotions - from grade _____ to grade ____

(3) awards under consideration

(4) equipment plans or needs

Consists of Presentation

Each division should submit and be prepared to discuss:

(1) goals

(a) progress on current year

(b) forecast for succeeding year

(2) estimates of work load with associated production and man power reflecting the current year, and succeeding years

(3) resource requirements

(a) tabular form showing man-years needed, year end ceiling (past year and proposed), funds by object class (past year obligations and proposed for ensuing fiscal year).

Procedure

Generally the Director will:

(1) review goals and procedural item changes in the work measurement system

(2) discuss work - volume and man-power requests

(3) provide annual allowances

Upon receipt of allowances, the work load will need to be spread on a monthly basis and provided to the FP&P Branch, DBF.

The preceding should, in a brief way, constitute the justification of fund requirements. As in every operation, some slight deviations or change may occur from time to time, but essentially this format should persist. It provides an opportunity to evaluate individuals, units, branches, and the overall performance.

Improving the OMS Image - Outside OMS

Joel W. Wheeler

Specific action can and must be taken to enhance the recognition of OMS as an independent agency with stature unto itself. Incidents which have been damaging to OMS should be considered and solutions developed to assure that recurrences will be avoided. Consideration should be given to more timely procedures, better and more frequent personal contacts, improved communications, and group or committee discussions.

The committee agreed that the only way to really improve the OMS image is to provide better service than we are now providing. With that in mind, we make the following recommendations for action:

1. To better acquaint the agencies with our functions and the people responsible for them, we propose that the "green sheets" be distributed to every office in OMS and client agencies, instead of just to holders of OMS manuals.

2. A study should be made of the writeup of OMS procedures to determine whether or not they are fully and clearly spelled out in plain and simple language that our clients cannot fail to understand.

3. The handbook for travelers now being worked up in DB&F should be completed as soon as possible.

4. Supervisors should impress upon their employees the need for answering correspondence quickly. If delays are expected in filling the request, the letter should be acknowledged promptly with an explanation as to what is being done.

5. Secretaries and others who handle telephone calls should be made aware of the important part they play in this matter of image improvement. Sessions in telephone techniques ought to be given in the divisions, as well as throughout OMS.

6. The committee also feels that a course in human relations could be developed and conducted by OMS for its people, dealing with such things as face-to-face communication, telephoning, and letter writing.

7. It was suggested that most of us in OMS should make more periodic visits on a regular basis to key people in client agencies. The same could be done by letters and phone calls to field offices.

8. We were generally agreed that if OMS mail service could be improved, the image would brighten--but, we came up with no recommendations on this one.

9. We should take advantage of news outlets for feature articles on people and activities of OMS and its client agencies. A DI staffer has been named to begin such a program.

Discussion Topic

The Principle of Completed Staff Work

1. The principle of "completed staff work" is a doctrine of this office.

2. Completed staff work is the study of a problem and presentation of a solution, by a staff member, in such form that all that remains to be done on the part of the head of the staff division or the president is to indicate his approval or disapproval of the completed action. The words "completed action" are emphasized because the more difficult the problem is, the more the tendency is to present the problem to the chief in piecemeal fashion. It is your duty as a staff member to work out the details. You should not consult your chief in the determination of those details, no matter how perplexing they may be. You may and should consult other staff members. The product, whether it involves the pronouncement of a new policy or affects an established one, should, when presented to the chief for approval or disapproval, be worked out in finished form.

3. The impulse which often comes to the inexperienced staff member to ask the chief what to do recurs more often when the problem is difficult. It is accompanied by a feeling of mental frustration. It is so easy to ask the chief what to do, and it appears so easy for him to answer. Resist that impulse. You will succumb to it only if you do not know your job. It is your job to advise your chief what he ought to do, not to ask him what you ought to do. He needs answers, not questions. Your job is to study, write, rewrite until you have evolved a single proposed action--the best one of all you have considered. Your chief merely approves or disapproves.

4. Do not worry your chief with long explanations and memoranda. Writing a memorandum to your chief does not constitute completed staff work, but writing a memorandum for your chief to send to someone else does. Your views should be placed before him in finished form so that he can make them his views simply by signing his name. In most instances completed staff work results in a single document prepared for the signature of the chief, without accompanying comment. If he wants a comment or explanation, he will ask for it.

5. The theory of completed staff work does not preclude a "rough draft," but the rough draft must not be a half-baked idea. It must be complete in every respect except that it lacks the requisite number of copies and need not be neat. But a rough

draft must not be used as an excuse for shifting to the chief the burden of formulating the action.

6. The completed-staff-work theory may result in more work for the staff member, but it results in more freedom for the chief. This is as it should be. Further, it accomplishes two things:

   a) The chief is protected from half-baked ideas, voluminous memoranda, and immature oral presentments.

   b) The staff member who has a real idea to sell is enabled more readily to find a market.

7. When you have finished your "completed staff work," the final test is this:

   If you were the chief, would you be willing to sign the paper you have prepared, and stake your professional reputation on its being right?

   If the answer is in the negative, take it back and work it over, because it is not yet "completed staff work."

Adapted from an official paper by Major General Archer L. Learch.

Follow Through

A. Indicators of Good Management

1. The objectives or goals of the organization are clear-cut and well stated, and they are known to everyone in it.

2. Productivity, both in quality and quantity, is high and sustained. Usually it is steadily going up.

3. The organization is smooth running; no crises, no ups and downs; that is,

   a. Everyone knows his job and does it well -- everyone is well qualified and well trained.

   b. Everyone understands his part in the bigger job, and does his work -- people work together.

   c. Workloads are evenly distributed and correctly assigned.

   d. Good planning and scheduling is evident in all work.

4. There is a high degree of employee loyalty to, and pride in the organization.

5. Everyone is well informed about the organization -- its purpose, and its operations.

6. No one is afraid to "speak his piece," and everyone is urged to speak it.

7. New ideas are constantly being tried, and successful ones installed. These ideas come from everyone or anyone in the organization.

8. There is a general air of optimism and success, that is, of high morale.

B. Skills of Good Managers

1. They are able to gain the willing and interested participation of their people in doing work, and in attaining the objectives of their organization.

2. They are able to communicate well. They know how to listen, to talk, to write, and to read.

3. They know how to train and develop people, not only for the jobs at hand, but also for jobs involving greater responsibilities.

4. They are able to look ahead and to consider what they want their organization to be doing at certain future times; that is, they know how to plan, and to schedule.

5. They are able to analyze workloads, and thereby to avoid other overloading or overstaffing, and to assign kinds of work appropriate to the qualifications of their various people.

6. They can and do make decisions, in a timely way, and on the basis of both the facts they can get and the imponderables they must often weigh for lack of enough facts.

7. They know how to judge the quality of work, and they are aware of the need for technical standards to measure against.

8. They are able to organize people, ideas, and materials so that there is little or no waste effort about getting the work done.

9. They know how to improve operating efficiency, and they work with their people in employing this knowledge in a systematic way.

C. By what means can a would-be manager learn the skills he will require to perform with excellence?

1. When a man is placed in a supervisory or management position, he needs to recognize that fact. Although he may be working in much the same environment as before, what he must produce as a manager is quite different from what he might have been doing before. He might, for example, be well trained as an engineer, but he will find that principles of hydraulics or of concrete construction will do very little to help him solve some extremely complex and stubborn problems in human relations, human motivation, cooperation, and communications.

2. Once a new supervisor realizes his need for development in the professional field of management, there are a number of things he can do to help himself. He can:

a. Undertake a planned course of reading.

b. Keep himself up to date by subscribing to, or at least seeing, the professional journals in the field of supervision and management.

c. Enroll in courses dealing with management.

d. Improve by working closely with and under the direction of a capable and experienced manager. Every manager, being human, will have his strong as well as his weak points. Excellence in a manager is somewhat different from perfection. And he who is trying to learn should consider the strength and the weakness of his teacher. He can learn from both.

e. Review and analyze as critically and objectively as he is able, the way in which he, himself, is working and getting -- or not getting--results. Self-analysis is never easy, because most of us tend to excuse or rationalize what we do that fails to turn out as we hoped. Possibly self-analysis gets easier with experience; certainly a more mature mind can acknowledge mistakes more readily. Any manager will find it of paramount importance to keep himself fully aware of the people with whom he works and through whom the organization's tasks are accomplished. In a nutshell, a manager is concerned first and foremost with problems of organizing and guiding human resources and activities.

Working with human beings offers many problems, and very difficult ones they may be. But the really successful manager eventually experiences that sense of gratification and achievement most familiar to great teachers, artists, scientists, and all the others who work at the creative tasks of this world. That is why the game is worth very great effort.

Adapted from <u>How to Become a Self-Made Manager</u> by William R. Van Dersal.

Follow Through

Cost Reduction and Management Improvements
In Government Operations

Wayne V. Dexter

The current executive directions insist upon actions to reduce cost of government programs. Cost reductions are to be accomplished by improved organization, greater efficiency, use of labor-saving equipment, select procurement, improved supervision, and other actions. Response to above resulted in the development of a proposed procedure for OMS as follows:

I Purpose

This instruction sets forth policies, procedures, and responsibilities of the Office of Management Services in carrying out the President's program for reducing costs and improving the general effectiveness of Government.

II Policy

It is the policy of the Office of Management Services to conduct only activities which are essential to the needs of agencies served and its own needs, and to conduct these activities at the lowest cost consistent with program needs.

III Responsibilities

1. The overall responsibility for this program is located in the immediate office of the Director, OMS.

2. Each of the Divisions of OMS is responsible for suggesting cost reduction and management improvement goals to the Office of the Director. These goals should be incorporated with the annual work plans reported prior to the beginning of each fiscal year. Their development should take into account systematic analysis and review, through the OMS Work Measurement System, of the Division work program and related methods, procedures, priorities, staffing, utilization, performance and operations improvements. If any of the specific goals are part of a Department-wide cost-reduction or operations improvement effort, they should be so identified. As a minimum, each goal should be supported by:

a. A background statement.

b. A description of the goal.

c. Estimated date goal will go into effect.

d. Estimated savings or other benefits.

Each Division also shall be responsible semi-annually for reporting progress towards achievement of the goals and shall provide information on savings and other benefits to the Division of Budget and Finance.

3. The Division of Budget and Finance has responsibility for reviewing and coordinating the submissions and for maintaining records on savings, and the use of savings, in sufficient detail so that they can be independently validated.

Dates for reporting goals initially to the Director shall be made not later than June 20 each year. Semi-annual progress reports on approved goals shall be made not later than January 15 and August 1 of each year. The following rules apply to all progress reports:

(1) Savings reported must be the result of new, improved, or intensified management practices, or from reductions in low priority activities, during the fiscal year reported on.

(2) Actions which result in the deferment of programs or services to some future period should not be reported.

(3) Reductions in appropriations may be reported only to the extent that new, improved or intensified management actions are made without reducing essential program operations.

(4) Internal agency procedures should:

(a) Prevent double or overlapping reporting.

(b) Assure that reported recurring savings do, in fact, have continuing benefits and that offsetting costs have been deducted.

(c) Provide for reasonably current reporting of cost reduction and operations improvement actions.

(d) Provide for close tie-in of goals and progress reports with budget data.

IV Criteria for cost reduction and other management improvements

The goals to be reported under this program include all activities that would result in savings and other benefits by:

a. Reducing the level of expenditures for a workload or program.

b. Increasing production or resulting in more effective program performance at no added costs.

c. Reducing requirements for additional funds.

d. Resulting in noteworthy management improvement activities which may or may not result in measureable monetary savings.

V Assistance to agencies served

OMS may contribute ideas or assistance that will reduce costs or improve management in the agencies served. Such activities should be included in the management goals reported by the OMS Divisions and in the reports of progress. Cross references to appropriate goals as reported by the agencies served should be made. Savings or other benefits should not be claimed for OMS, but the portion estimated to be attributable to OMS should be noted.

Reflections of the Director's Office

Charles J. Leman

You all know that I had the good fortune to be slected to attend Princeton. Some of my plans are already made, formal academic plans and housing. There are some things still in the air, in the intellectual area. I have lined up, I hope, a seminar with George Kennan. My reflections this year may be somewhat different from those at the next conference, to which I hope I'm invited.

One of the things of interest to me here is a reflection on the significance of Lodestar. We talked about stars at Front Royal, and we talked about stars at Harpers Ferry in a rather general vague way. Now we have the star defined. The significance is Follow Through from prior years. Incidentally, I want to add my compliments to Julian Anastasio. As chairman last year, Julian, I have some empathy for your position, if not sympathy.

There was a note made here on the character of OMS -- that OMS is perhaps an organization with no character. I recognize the devil's advocate role played by some people in this. But I think, again going back to Lodestar, and the presentations here, that any question about OMS character has been put to rest.

One of the things we have been concerned with is outlook. Outlook and planning ahead. A little over 2 years ago, on March 6, 1963, the Director sent the Division Chiefs a memorandum called Planning Ahead. You will remember that on March 6, 1963, OMS was just a little more than a month old, with very little conception of what the specifics of the job were. There had been no actual consolidation, although there had been some preliminary discussions with the agencies we were to serve. The significance of this memorandum is that it looked 2 years ahead. To that point where OMS would be after a series of stages of development. I suggest the Division Chiefs take a look at that again, and think of it in terms of the values of planning. As we went through the months of April, May, June, July, August, September, and all of the problems that arose with all of the projects and questions that people had, this was the guiding theme. That we would get through these problems and would by July 1, 1964 have a management support program of the level attained in ERS and SRS. There is no doubt in my mind that on July 1, 1964 we had achieved that level. Also, in that planning was a look ahead to 1965, to have the detailed plans for 1965 and we did just that at Front Royal.

The Director has concerned himself with other outlooks. He is concerned with the knowledge in depth of administrative problems needed to do the job. For example, what would happen if we assumed some of the detail duties of the liaison officers or others we work with, to

allow them more time to serve the agency's programs? Particularly in those agencies that have the staff and the man-years going into administrative support which would have far more value in program work. This ties in with cost reduction, and it ties in with position management.

Another of the Director's concerns, which was expressed here is the use of ADP equipment and the progress we are making. The increased use of ADP in conjunction with systems is where the pay off is, not only to get the work done faster but to give us the time we need to reflect on the larger matters of our work.

I think that a sensitive ear in this conference could detect just a little note of smugness. We are becoming sure of our operations, of what we know, of what we do. There were practically no words here on day-to-day problems. This is a result of a growing confidence. The only concern is the attitude associated with this growing confidence. As you have said, we are successful. So in our continued growth, there are some needs. There is a need in the longer range for our professional staff to have a better understanding of the substantive agency programs. There is a need for people in the professional areas to develop the interest and drive to do such things as read the budget hearings, legislative reports and other program information about the agencies we serve. And to have regular conversations with the agency program people about the programs. And I think we have to have conversations among ourselves relating to all phases of OMS programs. We have to converse in the same world, in the same language, trading information and ideas. The real value in this is that we provide our advice and assistance to the agencies in the language of programs.

Another thing I reflected on is the value of watching organizations grow and develop. Many organizations have what I would call growing points. It is not the size of the staff or numbers of dollars in the budget. Growing (I can list some of them) represent a continuing growth which is achieved by successfully responding to challenges. If you have watched organizations achieve a sense of having done their job, and they begin to be complacent there is a decline in effectiveness. I think everyone here has observed the great organization becoming petrified, not in a sense of fear but in a sense of changing its character to inaction when new problems arise. Another growing point for an organization is its staff growth. This is done in part by finding new ways of doing things, accepting new jobs, but particularly, by widening their intellectual horizons, so that when they concern themselves with budget problems, they also concern themselves with the context of the budget in the National economy, the Congress, and the Nation. From this they are able to identify their participation in the larger public policies in the job they do. They also relate this work to their own concept of democratic government.

Another growing point which may be found in an organizaton is organization for interdependence. Here people rely on one another and use one another. They do not define their work in terms of my job and your job.

Another growing point is the ability to recover from setback. In this organization if we fail, we can try again. To use the Director's own words, "if we butt our heads on one part of the wall, and make no progress we will back off and try it some place else".

Finally, I think we have to reflect on the history of OMS and its spirit. The fact that we put in more than 50 percent of our total time here at Fredericksburg on working sessions is indicative of such spirit. This has been done without complaints, without people falling asleep -- I didn't hear one bit of snoring throughout the whole operation -- even in the evening sessions.

Everything I have said here today has been said before. Because we have said these things, it becomes important that the words find a way to action. One of the games played in the world of business management is to appropriate concepts from the world of the sciences and apply them broadly to management practice. One of the terms which has achieved popularity is "synergystic". This term means that an organization is greater than the sum of its parts, when those parts are so interrelated in structure that they work as a larger unit. I leave with this because I think we are achieving this larger interrelationship in OMS.

As It Looks to Me

John J. Kaminski

In trying to place the progress of OMS in perspective, we should visualize OMS as it was before Harpers Ferry; before Front Royal; before Fort McNair; and before Fredericksburg. Although the last one is not meant to be associated with "Shoot if you must, this old gray head, but spare your country's flag," the philosopy, the loyalty, and the aggressiveness certainly could be imbued into OMS without harm. As summaries of the earlier conferences are in the program, there is no need to restate them.

Before Fredericksburg. -- Considerable effort in OMS has been geared toward improving its operations and relationships with its client agencies. These still remain as top priorities. There is the need for concentration on an OMS image -- both internally and externally. The employee survey made by the Director, however, gives evidence that both the internal and external are being recognized and, in fact, evaluated in many quarters. The survey further discloses an insight into the world of OMS, attitudes of the staff, pulse of the organization, proof positive that OMS is an organization, and the need for better communications as has also been brought out in these sessions.

What is Fredericksburg? Is this the threshold, or the height, or are we at some point in between? Certainly, OMS has made considerable progress but are we satisfied? Can we do more with greater efficiency, greater dispatch, and less cost? Can we improve the services at the same cost? Can we make OMS a really good place to work? Can we improve the attitudes and the dispositions of our employees? Can we create a future and challenge? Dick Horworth, who is conducting a first-level management course entitled "Supervisory Self-Development Program," on our behalf, advises that we can. He believes that those attending his course have potential, are capable, and should contribute to our efforts. He also suggests the need for concentration in improving middle management, a subject becoming more prominent in OMS. In light of this, shouldn't we begin a questioning process? Are we training, planning, directing, delegating, and supervising or are we "doing" thereby cheating subordinates of opportunities to grow? Have we provided for successors? Is middle management the lock, and we the key, necessary to spring the lock?

We are at the conclusion of our fourth conference. The byword of this conference is "FOLLOW THROUGH." Does "follow through" mean that we have made the decisions at this point? That we can stop, or does it mean that we will have other sessions to critique the progress made on our decisions? And will we continue to "FOLLOW THROUGH" as a course of habit? Will we be known for accepting and carefully taking care of those inquiries and requests which fall in our areas?

Now, throughout these sessions, there is one word conspicious by its absence. That word is "leadership." Not the hero type, in the tradition of TV's Wyatt Earp, but leadership as the concept of providing what individuals or groups believe they need, by being first in the use of new techniques, or by pioneering in change. Leadership, like anything else in life that is vital, finds its source in understanding. To be worthy of management responsibility today, a man must have insight into the human heart, for unless he has an awareness of human problems, a sensitivity towards the hopes and aspirations of those whom he supervises, and a capacity for analysis of the emotional forces that motivate their conduct, the projects entrusted to him will not get ahead. Leaders have one advantage: they don't eat the dust of others. Leaders acquire advantages as: they think; they do; they motivate; they inspire; and they accomplish.

We now have had four conferences, and my observation is that there are prerequisites for a successful seminar. Six basic requirements for a successful seminar are:

1. Recognition of a need for improvement in management processes.

2. Support for the program by the top executive in the agency.

3. Sustained attention to advance planning.

4. Close collaboration with competent professional resource persons with experience in organizational consultation.

5. Willingness to give time and care to plan evaluation.

6. Commitment to "follow-up" as an integral part of the plan and the program.

The experience is calculated to be a significant element in the total management development of the agency. It should not just be delegated to the personnel division or the training branch as a routine matter, much as they need to be intimately involved. It requires, for success, the real commitment of the key group of top executives. No one activity or approach is adequate, but seminars such as these seem to be a helpful step in initiating action toward organizational improvement through management development.

We all know that experience is a wonderful thing. It lets us recognize a mistake when we make it again.

In terms of the six criteria, ladies and gentlemen, in the humble opinion of the speaker, our conference must be classified as successful. My thanks for your attention, cooperation, and participation.